

OFFICE MEMORANDUM

DATE: September 7, 2006

TO: Region Engineers

Region Delivery Engineers

TSC Managers

Resident/Project Engineers Region Construction Engineers

FROM: Larry E. Tibbits

Chief Operations Officer

John C. Friend

Engineer of Delivery

SUBJECT: Bureau of Highway Instructional Memorandum 2006-09-**Revised**

(Guidance for local agency projects added.)

Establishment of Maximum Amounts for Minor Traffic

Devices and Flag Control

The purpose of this memorandum is to describe a recent change to two pay items related to maintaining traffic on projects let by the Michigan Department of Transportation (MDOT). The pay items Minor Traf Devices and Flag Control have been changed to Minor Traf Devices, Max and Flag Control, Max., as described in the attached special provision.

These changes are to establish a maximum bid amount for each pay item that more accurately reflects historical bidding costs. These changes will be incorporated into all MDOT-let projects after August 1, 2006. Project development staff shall use the following table to estimate the cost for each pay item.

| Estimated Project Cost | <u>Minor Traf Devices, Max</u> | <u>Flag Control, Max</u> |
|----------------------------|--------------------------------|--------------------------|
| < \$100,000 | \$3,000 | \$2,000 |
| \$100,000 to \$500,000 | \$3,000 or 2.00% | \$2,000 or 1.75% |
| \$500,000 to \$1,000,000 | \$10,000 or 1.50% | \$8,750 or 1.25% |
| \$1,000,000 to \$5,000,000 | \$15,000 or 1.25% | \$12,500 or 1.25% |
| > \$5,000,000 | \$62,500 or 0.50% | \$62,500 or 0.75% |
| | | |

When calculating Minor Traf Devices, Max and Flag Control, Max, apply the percentage after subtracting the amount for the mobilization and contractor staking pay items from the estimated project cost. For all "or" conditions listed above, development staff are to select the greater of the two conditions when determining the amount for each pay item. Use the amounts determined for Minor Traf Devices, Max and Flag Control, Max from the above table as the contract amount for each respective pay item. These amounts are not to be reduced.

If a project involves significant traffic control work in either area of minor traffic devices or flag control, project development staff are encouraged to calculate this additional cost and process an adjustment to the maximum amount for Minor Traf Devices and/or Flag Control. Significant traffic control work includes but is not limited to heavy traffic cone usage, maintenance, relocation, etc., substantial maintenance of local traffic, or substantial flag control operations, including numerous traffic generators or extended working hours.

Should additional costs for Minor Traf Devices and/or Flag Control be justified on a project, the following process shall apply:

- 1. Project development staff is to calculate, justify, and document the additional cost for Minor Traf Devices and/or Flag Control.
- 2. Submit the justification on local agency projects to the respective TSC to request approval by the Region Engineer and the Engineer of Construction and Technology.
- 3. The additional cost for Minor Traf Devices and/or Flag Control is to be submitted for approval to the Region Engineer and the Engineer of Construction and Technology.
- 4. If approved, the maximum unit cost for either or both items is to be appropriately adjusted with the additional work expectations placed in the maintaining traffic special provision. The work expectations will allow contractors to bid more appropriately on the required traffic control work.
- 5. The approval to adjust the maximum unit cost for Minor Traf Devices and/or Flag Control is to be forwarded to Specifications and Estimates with the project documentation submittal.

This instructional memorandum will be incorporated into the next *Design Manual* revision. Delivery engineers are requested to share this instructional memorandum with local government engineers and consultant engineers within their jurisdiction.

If you have any questions, please contact Jason Gutting, Construction Contracts Engineer at 517-322-6630 or guttingj@michigan.gov.

Engineer of Delivery Chief Operations Officer Attachment BOHD:C/T:JJG:kab Index: Traffic Control C & T Staff M. Van Port Fleet M. DeLong J. Reincke cc: B. O'Brien J. Culp S. El-Ahmad C. Rademacher G. Moore P. Sebenick T. Fudaly, FHWA K. Reincke CRAM ACEC APAM MAA MCA **MCPA MITA**

MICHIGAN DEPARTMENT OF TRANSPORTATION

SPECIAL PROVISION **FOR** MINOR TRAF DEVICES AND FLAG CONTROL

C&T:JJG 1 of 1 C&T:APPR:JKG:BRZ:02-16-06

FHWA:APPR:03-09-06

Delete the nay items "Minor Traf Devices" and "Flag Control" in subsection 812.04 on

| | ge 615 of the Standard Specifications for Construction | • |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| (| Contract Item (Pay Item) | Pay Unit |
| | Minor Traf Devices, Max Flag Control, Max | |
| sub | ange "Minor Traf Devices" to "Minor Traf Devices, I bsection 812.04.F, on page 618 and 619 of the nstruction. | |
| | ange "Flag Control" to "Flag Control, Max" in 2.04.F, on page 618 and 619 of the Standard Specification | |
| | d the following to subsection 812.04.F, on page 619 of nstruction. | the Standard Specifications for |
| 1 1 | The pay item for Minor Traf Devices and Flag Control that can be bid. If a bid for Minor Traf Devices , Max received that exceeds the amount stated in the item of maximum amount will be used as the contractor's lump stated to reflect that maximum amount. | or Flag Control, Max is description for the pay item, the |